TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



CORRECTED FISCAL NOTE HB 2319 - SB 2314

April 15, 2009

SUMMARY OF BILL: Enacts the Tennessee Healthful Menu Act which requires all food service establishments that are part of a group of 20 or more such establishments that operate under common control or as a franchised outlet of a parent business to disclose the total number of calories per serving as usually prepared and offered for sale.

ESTIMATED FISCAL IMPACT:

On April 3, 2009, we issued a fiscal note indicating an increase in one-time state expenditures of \$35,200, recurring state expenditures of \$891,200, local revenue of \$445,600, and local expenditures of \$445,600. This estimate was based on information provided by the Department of Health in previous years for similar legislation. Based on additional information provided by the Department of Health, the fiscal impact for this bill is estimated as follows:

(CORRECTED) Increase State Expenditures – Not Significant

Assumptions:

- According to the Department of Health, inspectors will determine if a
 food service establishment that is covered under the provisions of the
 bill is meeting posting requirements during the regular course of
 inspections. Inspectors will not have to determine if the posted calorie
 information is correct.
- Notations will be made on the inspection forms to indicate whether or not the establishment is in compliance.
- The provisions of the bill will take effect on January 1, 2010. Any changes to inspection forms can be made during the normal replacement schedule.
- Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/kml